


City of
HUNTINGTON PARK california
COMMUNITY DEVELOPMENT DEPARTMENT
6550 MILES AVENUE
HUNTINGTON PARK, CA 90255

DATE: July 18, 2012
TO: Honorable Chair and Board Members of the Oversight Board
FROM: Jack Wong, Interim Community Development Director 
BY: Fernanda Palacios, Project Manager

SUBJECT: Recommendation to approve amended administrative budgets for the Successor Agency for January 1 – June 31, 2012 and July 1 – December 31, 2012.

BACKGROUND: Upon dissolution of the Community Development Commission of the City of Huntington Park on February 1, 2012 pursuant to AB X1 26, the Successor Agency to the Community Development Commission of the City of Huntington Park was constituted and is governed by a board of directors consisting of the members of the City Council.

Pursuant to AB X1 26, the Successor Agency is required to undertake a number of actions related to winding down the affairs of the former Community Development Commission. For example, staff of the Successor Agency may facilitate Oversight Board's duties and responsibilities under AB X1 26 and the Successor Agency must pay for all of the costs of meetings of the Oversight Board. In addition, the Successor Agency will have a number of ongoing responsibilities, such as paying debt service on enforceable obligations of the former Redevelopment Agency and preparing an administrative budget and Recognized Obligation Payment Schedule (ROPS) for each six-month fiscal period.

Each proposed administrative budget must include all of the following: (1) estimated amounts for Successor Agency administrative costs for the applicable six-month fiscal period; (2) proposed sources of payment for the administrative costs; and (3) proposals for arrangements for administrative and operations services provided by the City.

AB X1 26 provides that the Successor Agency may include the cost of Oversight Board meetings in its administrative budgets, but otherwise does not specify which expenses are appropriate for including in the administrative budget. However, allowable administrative expenses would likely include, among other items, the cost of City staff, including employee retirement and other benefits, necessary for the administration and operations of the Successor Agency; and the cost of other resources of the City necessary for the administration and operations of the Successor Agency, such as office space, supplies,

equipment, utilities, and insurance. The administrative budgets must be approved by the Successor Agency and the Oversight Board.

AB X1 26 provides for an "Administrative Cost Allowance" to be paid annually to the Successor Agency of not less than \$250,000 a year, funded from property taxes deposited in the Redevelopment Property Tax Trust Fund (RPTTF). However, in the event there are insufficient funds to pay the former Redevelopment Agency's enforceable obligations, some or all of the Administrative Cost Allowance will be used to pay for the enforceable obligations, and these funds will not be available for administrative expenses of the Successor Agency.

The first administrative budget is for the six-month fiscal period commencing on January 1, 2012 and ending on June 30, 2012, and the second administrative budget is for the six-month fiscal period commencing on July 1, 2012 and ending on December 31, 2012. The Successor Agency is required to submit each proposed administrative budget to the Oversight Board for its approval. The Successor Agency is also required to provide the approved administrative budget to the County Auditor-Controller for each six-month fiscal period.

DISCUSSION/ANALYSIS: On April 10, 2012, the Successor Agency approved administrative budgets for the first two six-month fiscal periods, January 1 – June 31, 2012 and July 1 – December 31, 2012 and entered into a Cooperative Agreement with the City to provide for the Successor Agency to use City's staff, facilities, and other resources for the administration and operations of the Successor Agency and reimburse the City for such advances. On June 6, 2012 the administrative budget was presented to the Oversight Board (OSB); however the OSB requested revisions to the administrative budgets to provide additional detail regarding personnel costs and allow for legal fees for the OSB.

The attached administrative budget provides additional information regarding personnel costs, benefits, indirect expenses, legal fees for the Successor Agency and OSB. General administrative personnel expenses are costs associated with the general administration and operations of the Successor Agency (i.e. preparation and payment of obligations listed in the ROPS, preparation of agendas, minutes, and staff reports for meetings with the SA and OSB). The attached budgets show in detail the positions, salaries and percentages estimated for general administrative personnel costs. Additionally, staff identified funding priority levels for each of the line items in the administrative budget. The revised administrative budgets were presented and approved by the Successor Agency on July 16, 2012.

It is also important to note that the administrative budget does not include "Project Delivery Costs" for costs related to city staff working on specific project implementation activities, such as project management and construction inspection. These costs were not approved as part of the ROPS by the OSB as several Board members indicated that these costs should be part of the Successor Agency's administrative budget. Project Delivery Costs should include staff costs for specific projects which were approved as part of the ROPS: Southland Steel, Middleton and Carmelita. Project delivery costs include cost for the following three positions within the Community Development Department responsible for implementing these projects- Community Development Director; Housing and Community Development Manager, and Redevelopment Project Manager.

Although AB X1 26 does not define which expenses are appropriate for including in the administrative budget, the Department of Finance in a "Frequently Asked Questions" memorandum posted on its

website states that *“Generally, employees working on specific project implementation activities such as construction inspection, project management or actual construction would not be viewed by Finance as administrative”*. Additionally, recent legislation approved on June 27, 2012, amended Sections of AB X1 26 including the definition of administrative cost allowance. Pursuant to AB 1484, Section 34171 (b), was amended to include language stipulating that *“administrative cost allowances shall exclude any litigation expenses related to assets or obligations, settlements and judgments, and the costs of maintaining assets prior to disposition. Employee costs associated with work on specific project implementation activities, including, but not limited to, construction inspection, project management, or actual construction, shall be considered project specific costs and shall not constitute administrative costs.”* Thus, staff recommends that these expenses be included as project costs on the next ROPS for year 2013 and not be included as a cost item within the Administrative Budget. Other Successor Agencies (i.e. Burbank and Pasadena) included project delivery costs as part of their ROPS and were approved by their respective Oversight Boards and subsequently by the Department of Finance

FISCAL IMPACT: As discussed above, AB X1 26 provides for the Successor Agency to receive an annual Administrative Cost Allowance of not less than \$250,000. However, the allowances are subject to reduction if there are insufficient funds to pay the former Community Development Commission’s enforceable obligations. Based on recent property tax estimates received from the County, the funds available to pay for obligations listed in the approved ROPS (January 1 – June 31, 2012 and July 1 – December 31, 2012) will not be sufficient to cover all of the Successor Agency Obligations. Therefore, the Successor Agency will not have any funds to cover administrative costs for January 1 – June 31, 2012 and July 1, 2012 and December, 31, 2012.

RECOMMENDATION: It is recommended that the Oversight Board approve the attached Resolution approving the administrative budgets for each of the six-month time periods of 2012, as identified in Exhibits A and B.

ATTACHMENT: Resolution approving Administrative Budgets
RWG Contract & Invoices

RESOLUTION NO. ____

A RESOLUTION OF THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF HUNTINGTON PARK APPROVING THE SUCCESSOR AGENCY ADMINISTRATIVE BUDGET FOR THE PERIOD OF JANUARY 1, 2012 THROUGH JUNE 30, 2012 AND JULY 1, 2012 THROUGH DECEMBER 31, 2012 PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177(j) and (k)

WHEREAS, California Health and Safety Code section 34177(j) requires that each Successor Agency prepare an administrative budget for each month fiscal period; and

WHEREAS, a draft administrative budget for the periods of January 1, 2012 through June 30, 2012 and July 1, 2012 through December 31, 2012 are attached hereto as Exhibits A and B; and

WHEREAS, Section 34177(k) requires each Successor Agency to provide to the County auditor-controller administrative costs estimates for expenses from the administrative budget that are to be paid from property tax revenues deposited in the Redevelopment Property Tax Trust Fund for each six month fiscal period.

NOW THEREFORE, THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF HUNTINGTON PARK HEREBY RESOLVES:

Section 1. The Administrative budget for the period of January 1, 2012 through June 30, 2012 attached hereto as Exhibit A; and for the period of July 1, 2012 through December 31, 2012 attached hereto as Exhibit B, are hereby approved.

Section 2. The Successor Agency staff is directed to provide the required cost estimates for expenses to the County auditor-controller

PASSED, APPROVED AND ADOPTED this ____ day of July, 2012

Chair

ATTEST:

Deputy Clerk
Los Angeles County Board of Supervisors
Acting as Secretary to the Huntington Park
Oversight Board

EXHIBIT A

Successor Agency to the Huntington Park Community Development Commission January - June 2012 Revised Administrative Budget

Salaries:	Hrs.	% of Salaries	Amount	Payment Priority
Executive Director	104	0.05	\$ 9,880	1
Finance Officer	163	0.06	\$ 11,700	1
Senior Accountant	156	0.03	\$ 5,772	1
Finance Assistant I	104	0.01	\$ 2,392	1
Revenue Collections Supervisor	104	0.02	\$ 3,848	1
Redevelopment Project Manager	156	0.04	\$ 7,176	1
Secretary	48	0.01	\$ 1,430	1
Community Development Director	153	0.05	\$ 10,764	1
Housing & Community Development Manager	123	0.03	\$ 6,396	1
Benefits (Retirement, workers' comp & liab)				1
Retirement		0.14	\$ 8,429	1
Worker's Comp. & Liab		0.43	\$ 25,524	1
Total Salaries & Benefits			\$ 93,311	
Successor Agency:				
Facilities Rent, Utilities and Telephone			\$ 9,500	4
Office Supplies & Other indirect expenses			\$ 9,050	3
Professional Legal Fees			\$ 13,139	2
Total Services & Supplies			\$ 31,689.00	

Total Salaries and Other Expenses	\$ 125,000
--	-------------------

EXHIBIT B**Successor Agency to the Huntington Park Community Development Commission
July - December 2012 Revised Administrative Budget**

Salaries:	Hrs.	% of Salaries	Amount	Payment Priority
Executive Director	52	0.03	\$ 4,940	1
Finance Officer	165	0.06	\$ 11,700	1
Senior Accountant	104	0.05	\$ 3,848	1
Finance Assistant I	104	0.05	\$ 2,392	1
Revenue Collections Supervisor	104	0.02	\$ 3,848	1
Redevelopment Project Manager	156	0.06	\$ 7,176	1
Secretary	48	0.02	\$ 1,430	1
Community Development Director	130	0.05	\$ 8,970	1
Housing & Community Development Manager	156	0.06	\$ 8,112	1
Benefits (Retirement, workers' comp & liab)				1
Retirement		0.15	\$ 8,904	1
Worker's Comp. & Liab		0.43	\$ 25,524	1
	Total Salaries & Benefits		\$ 82,817	
Successor Agency:				
Facilities Rent, Utilities and Telephone			\$ 5,000	4
Office Supplies & Other indirect expenses			\$ 4,000	3
Professional Legal Fees			\$ 17,183	2
	Total Services & Supplies		\$ 26,183	
Oversight Board Costs:				
Professional Legal Fees			\$ 16,000	2
	Total		16,000	

Total Salaries and Other Expenses	\$ 125,000
--	-------------------



September 19, 2005

TO: Chairperson Romo and Members of the Community Development Commission

FROM: Gregory D. Korduner, Executive Director *GDK*

SUBJECT: RECOMMENDATION THAT THE CDC BOARD APPROVE AN AGREEMENT FOR LEGAL SERVICES BETWEEN THE COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF HUNTINGTON PARK AND RICHARDS, WATSON & GERSHON, A PROFESSIONAL CORPORATION, AND AUTHORIZE THE CHAIR AND EXECUTIVE DIRECTOR TO EXECUTE THE AGREEMENT

On July 5, 2005 the CDC Board authorized staff to issue request for proposals for a permanent CDC Attorney. The deadline for submission of proposals to the Executive Director was August 8, 2005. Of the eighteen RFP's that were distributed, the following seven (7) legal firms submitted proposals:

Alvarez-Glassman & Colvin
Best, Best & Krieger
Burke, Williams & Sorensen
Goldfarb & Lipman
Green, de Bortnowsky & Quintanilla
Kane, Ballmer and Berkman
Richards, Watson & Gershon

Also, the law firm, Rutan and Tucker, sent a letter thanking the CDC for inviting them to submit a proposal and declined to apply. They indicated they would very much like to be considered for specialized legal services in transactional and litigation matters in the future.

At the August 15th meeting, the CDC Board directed staff to evaluate the seven proposals and interview the top firms. Staff developed a matrix based upon the requirements of the RFP to assist in the evaluation process and ranked all seven firms. Rankings were based on the firms' years of experience, including the redevelopment experience of the firm's proposed Attorney team, level of internal resources, office location and accessibility, qualifications and fees or fee structure.

On August 25th and August 29th staff interviewed the top five firms. The interview panel consisted of the City Manager Gregory Korduner, Community Development Director Henry Gray, Assistant to the City Manager Alan Shear and Community Development Analyst Jesus Gomez also assisted with some of the interviews. After the interviews, staff agreed on the following rankings of the top five firms:

1. Richards, Watson & Gershon
2. Kane, Ballmer and Berkman
3. Alvarez-Glasman & Colvin
4. Burke, Williams & Sorensen
5. Goldfarb & Lipman

On September 6, 2005, staff reported its assessment to the CDC that any of the top three ranked firms would perform well as CDC Attorneys. Staff further recommended to appoint Richards, Watson & Gershon as CDC attorneys based upon a combination of the firm's lengthy experience with redevelopment, the many redevelopment agencies which are currently their clients, their in-house capabilities in specialty areas such as eminent domain and environmental matters, and the proposed fee structure which would provide a discounted rate of \$200 per hour for most matters. The CDC then approved a motion to appoint the firm Richards, Watson & Gershon as the CDC Attorneys. Attached herewith is an Agreement for Legal Services between the Community Development Commission of the City of Huntington Park and Richards, Watson & Gershon which staff is recommending be approved at this time.

RECOMMENDATION: STAFF RECOMMENDS THAT THE CDC BOARD APPROVE AN AGREEMENT FOR LEGAL SERVICES BETWEEN THE COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF HUNTINGTON PARK AND RICHARDS, WATSON & GERSHON, A PROFESSIONAL CORPORATION, AND AUTHORIZE THE CHAIR AND EXECUTIVE DIRECTOR TO EXECUTE THE AGREEMENT

Attachments: Agreement for Legal Services

AGREEMENT FOR LEGAL SERVICES BETWEEN THE COMMUNITY
DEVELOPMENT COMMISSION OF THE CITY OF HUNTINGTON PARK AND
RICHARDS, WATSON & GERSHON, A PROFESSIONAL CORPORATION

THIS AGREEMENT is entered into between the Community Development Commission of the City of Huntington Park ("Commission") and the law firm of Richards, Watson & Gershon, a professional corporation, ("Law Firm").

WHEREAS, the Commission wishes to retain Law Firm to discharge the duties of the office of Commission Attorney and to designate a member of Law Firm as Commission Attorney of the Commission; and

WHEREAS, Law Firm is qualified to, and proposes to provide such legal services and discharge the duties of Commission Attorney;

The parties agree as follows:

1. Term. This Agreement shall commence as of September 6, 2005.

Notwithstanding the foregoing, either party hereto may terminate this Agreement without cause by giving thirty (30) days prior written notice to the other. In the case of such termination Commission shall, as applicable, compensate Law Firm in full for all legal services rendered prior to termination.

2. General Commission Attorney Services. Law Firm shall discharge the duties of the office of Commission Attorney and shall use its best efforts to provide all required legal services in a professional, thorough, and competent manner. Attorney shall provide all necessary legal services to Commission unless specifically exempted by this Agreement or specifically excused in writing by Commission or Commission Executive Director. General Commission Attorney Services shall include the following tasks:

- a. Provide routine legal advice, consultation and opinions to the Commission and staff on areas such as: land use, CEQA, general redevelopment and real estate law, and Brownfields legislation and law;
- b. Review Commission agendas, staff reports, attend all Commission meetings and staff meetings as requested, unless excused therefrom by the Commission Executive Director;
- c. Prepare redevelopment resolutions, ordinances, routine consultant agreements, routine redevelopment agreements (e.g., first time home buyer or residential rehabilitation agreements), and related documents;
- d. Prepare routine purchase, sale or lease agreements;
- e. Research new legislation and provide written summary to Commission as directed by Commission staff; and
- f. Respond to legal questions on behalf of the Commission.

Roxanne M. Diaz shall be designated as Commission Attorney and primary attorney responsible to the Commission. Michael Estrada shall be designated as primary Assistant Commission Attorney. Ms. Diaz shall assign other lawyers in the firm to work on Commission matters on an as-needed basis.

3. Special Services. The following services shall be considered Special Services and not General Commission Attorney Services:

- a. Negotiation and drafting of Disposition and Development, Owner Participation, and Affordable Housing Agreements (except as described under paragraph "2c" of this Agreement);

b. Other real estate transactions, which, in the determination of the Executive Director of the Commission, involve complexities, not present in the routine purchase, sale, or lease of real property;

c. Environmental and hazardous waste matters;

d. Property acquisition, which shall include legal advice, consultation and opinions, other than routine purchase transactions, pre-acquisition work, relocation work, relocation appeals to a relocation appeals board if any;

e. Litigation services including but not limited to eminent domain, in court proceedings and proceedings in non-judicial settings such as administrative adjudications and alternative dispute resolution proceedings ("Litigation Special Services"); and

f. Public finance matters such as bond issues; ("Public Finance Special Services").

4. Fees for Services.

a. **General Commission Attorney Services.**

(i) Law Firm shall be paid a composite rate of \$200.00 per hour for all attorneys. All such time shall be billed in one-tenth (1/10) hour increments.

b. **Special Services.**

(ii) **Special Services.** For all Special Services (other than Litigation Special Services or Public Finance Special Services) rendered by Law Firm pursuant to this Agreement, Law Firm shall be paid at the composite rate of \$250 per hour for shareholders, \$225 per hour for senior attorneys/of counsel, and \$195 per associates. All such time shall be billed in one-tenth (1/10) hour increments.

(iii) **Litigation Special Services.** For all Litigation Special Services rendered by Law Firm pursuant to this Agreement, Law Firm shall be paid Law Firm's then-current standard hourly rates for the attorney providing such service, discounted by fifteen percent (15%). All such time shall be billed in one-tenth (1/10) hour increments.

(iv) **Public Finance Special Services** rates will be negotiated per transaction at industry standards. Such shall not be subject to this Agreement.

c. **Third Party Payment.** For all services rendered by Law Firm pursuant to this Agreement and where payment for such services will be passed through to a third party, Law Firm shall be paid Law Firm's then current standard hourly rates for the attorney providing such service.

4. Conflicts of Interest. Law Firm shall comply with all applicable laws and professional rules and standards relating to any known conflict of interest involving matters upon which Law Firm is providing services under this Agreement. Law Firm shall not reveal confidential or secret information of the Commission except with the consent of the Commission or as otherwise required by law.

Law Firm shall notify Commission of any known conflict of interest related to matters upon which Law Firm is providing services under this Agreement. In the event that such conflict is not or cannot be waived, Law Firm shall assist and cooperate with separate services provided by outside legal counsel retained by Commission on the matter for which the conflict arose.

5. Billing of Services. Law Firm shall provide to Commission a monthly billing for the services provided, the time spent providing those services, and costs incurred in the form customarily supplied by Law Firm to public agency clients being billed on an hourly

basis. Commission shall process and cause such billings to be paid promptly, typically within thirty (30) days of receipt.

6. Supplies, Equipment and Support Staff. Law Firm shall provide all supplies, library facilities, clerical and support staff necessary to provide the services under this Agreement.

7. Costs and Expenses. Commission shall pay, upon submission of an appropriate invoice, out-of-pocket costs incurred by Law Firm for duplication at \$.15 cents per page, fax charges at one dollar (\$1.00) per page, filing fees, electronic legal research, long-distance telephone charges, ordinary and necessary business travel expenses outside of Los Angeles County, and any other extraordinary expenses reasonably incurred by Attorney in performing its services.

8. Files. All legal files of Law Firm pertaining to Commission shall be and remain the property of Commission. Law Firm shall control the physical location of such legal files during the term of this Agreement. Law Firm shall comply with Commission's records retention policy and the California Public Records Act, as applicable.

9. Indemnification. Law Firm agrees to indemnify, defend and hold harmless the Community Development Commission of the City of Huntington Park, its officers, agents and employees from any and all claims or losses arising from the wrongful or negligent action or inaction of Law Firm or any person employed by Law Firm in the performance of this Agreement.

10. Insurance.

a. Law Firm shall maintain at all times during the term of this Agreement policies of insurance with at least the minimum coverage specified below:

(1) Public liability insurance with a combined single limit of not less than One Million Dollars (\$1,000,000).

(2) Workers' compensation coverage in compliance with California law.

(3) Professional liability coverage with a minimum limit of liability of Two Million Dollars (\$2,000,000.00) per claim and Four Million Dollars (\$4,000,000.00) in the aggregate, providing coverage for any damages or losses suffered by Commission as a result of any error or omission or neglect by Law Firm which arises out of the professional services required by this Agreement. Such insurance may be subject to a self-insured retention or deductible to be borne entirely by Law Firm, which shall not exceed Two Hundred Fifty Thousand Dollars (\$250,000.00) per claim.

b. All such policies of insurance specified above shall:

(1) Provide minimum thirty (30) days notice of cancellation, said notice to be provided by insurer, and

(2) Be maintained in full force and effect throughout the term of this Agreement.

(3) Be placed with insurance carriers with an A.M. Best rating of no less than A:VII or otherwise acceptable to Commission.

11. Independent Contractor. No employment relationship is created by this Agreement. Attorney shall be an independent contractor of Commission, except that at all times providing services under the Agreement, Law Firm's employees shall be acting as public officials.

12. Integration. This Agreement shall constitute the full and complete agreement of the parties and shall supersede any other written or oral statements of either party. All previous written agreements between the Commission and Law Firm for legal services are hereby superseded. Any modification of this Agreement will be effective only if it is in writing and executed by Commission and Law Firm.


13. Arbitration. In the event of any dispute between the parties over legal fees, such dispute shall be submitted to binding arbitration. In the event the parties are unable to agree upon an arbitrator, an arbitrator shall be selected through the American Arbitration Association. In any such matter, the prevailing party shall be entitled to recover its reasonable costs and attorney's fees.

14. Attorney Fees. In the event that the Commission or Law Firm institute any action or proceeding in court or through arbitration to enforce or interpret the provisions of this Agreement, the prevailing party shall be entitled to receive from the losing party all reasonable attorneys' fees and all court and/or arbitration costs in connection with said proceeding.

Executed this 20 day of September, 2005, at Huntington Park, California.

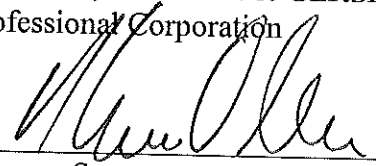
ATTEST:

CITY OF HUNTINGTON PARK
COMMUNITY DEVELOPMENT
COMMISSION


Gregory Korduner
Executive Director

By: 
Elba Romo, Chair

RICHARDS, WATSON & GERSHON
A Professional Corporation

By: 
Kayser Sume
Chairman of the Board



RICHARDS | WATSON | GERSHON
ATTORNEYS AT LAW – A PROFESSIONAL CORPORATION

355 South Grand Avenue, 40th Floor, Los Angeles, California 90071-3101
Telephone 213.626.8484 Facsimile 213.626.0078

RICHARD RICHARDS
(1916–1988)

GLENN R. WATSON
(RETIRED)

HARRY L. GERSHON
(RETIRED)

DAROLD D. PIEPER
STEVEN L. DORSEY
WILLIAM L. STRAUSS
MITCHELL E. ABBOTT
GREGORY W. STEPANICICH
ROCHELLE BROWNE
WILLIAM B. RUDELL
QUINN M. BARROW
CAROL W. LYNCH
GREGORY M. KUNERT
THOMAS M. JIMBO
ROBERT C. CECCON
STEVEN H. KAUFMANN
GARY E. GANS
JOHN J. HARRIS
KEVIN G. ENNIS
ROBIN D. HARRIS
MICHAEL ESTRADA
LAURENCE S. WIENER
STEVEN R. ORR
B. TILDEN KIM
SASKIA T. ASAMURA
KAYSER O. SUME
PETER M. THORSON
JAMES L. MARKMAN
CRAIG A. STEELE
T. PETER PIERCE
TERENCE R. BOGA
LISA BOND
JANET E. COLESON
ROXANNE M. DIAZ
JIM G. GRAYSON
ROY A. CLARKE
WILLIAM P. CURLEY III
MICHAEL F. YOSHIBA
REGINA N. DANNER
MARGUERITE P. BATTERSBY
AMY GREYSON
DEBORAH R. HAKMAN
D. CRAIG FOX
ROBERT H. PITTMAN
PAULA GUTIERREZ BAEZA
TERESA HO-URANO
OWEN P. GROSS
JIM R. KARPIAK
ALEXANDER ABBE
MICHAEL P. COYNE
DIANA K. CHUANG
PATRICK K. BOBKO
DANIEL R. GARCIA
EZRA J. REINSTEIN
SONALI SARKAR JANDIAL
DAVID M. SNOW
LOLLY A. ENRIQUEZ
G. INDER KHALSA
BRUCE G. MCCARTHY
MATTHEW B. FINNIGAN
GINETTA L. GIOVINCO
TRISHA ORTIZ
CANDICE K. LEE
MARICELA E. MARROQUIN
BRIAN D. MABEE

OF COUNSEL
MARK L. LAMKEN
SAYRE WEAVER
WILLIAM K. KRAMER
BRUCE W. GALLOWAY

SAN FRANCISCO OFFICE
TELEPHONE 415.421.8484

ORANGE COUNTY OFFICE
TELEPHONE 714.990.0901

August 8, 2005

VIA MESSENGER

CDC Attorney Recruitment
Gregory Korduner, Executive Director
City of Huntington Park
Community Development Commission
6550 Miles Avenue
Huntington Park, California 90255

Re: Proposal to Provide Community Development Commission
Attorney Services

Dear Mr. Korduner:

After serving as the Commission's Interim Counsel, we are pleased to submit Richards, Watson & Gershon's proposal to provide legal services to the Community Development Commission of the City of Huntington Park. We are excited at the prospect of making our relationship to the Commission permanent and believe the firm can provide the highest quality legal services as the Commission and City embark on a number of exciting revitalization projects.

We have structured this letter proposal to first describe the firm's redevelopment practice, to then discuss the proposed attorneys' redevelopment experience, and finally to respond to other questions asked in the Request for Proposal ("RFP"). The firm biographies, list of public law clients and areas of practice are attached as Exhibits A-C to this proposal.

* * * *

Firm Experience

The firm serves as legal counsel to a number of redevelopment agencies throughout the State, including (in alphabetical order) those in Adelanto, Agoura Hills, Artesia, Blythe, Brea, Buena Park, Calimesa, Coachella, Compton, Fairfield, Highland, Industry-Urban Development Agency, Manteca, Morgan Hill, Norwalk, Palm

Gregory Korduner

August 8, 2005

Page 2

Desert, Rancho Cucamonga, Rancho Palos Verdes, San Fernando, Seal Beach, South El Monte, South Lake Tahoe, Temecula, Whittier, Upland and Yucaipa. We also provide redevelopment legal services to the Pasadena and West Hollywood Community Development Commissions. The following paragraphs discuss the firm's expertise in the areas of redevelopment, including affordable housing, real estate and eminent domain.

Redevelopment

The firm has extensive experience in all facets of redevelopment law, including negotiating and drafting disposition and development agreements, owner participation agreements, and related redevelopment agreements for major developments such as regional shopping malls, hotels, auto malls and multiplex motion picture theaters. For example, the firm was recently engaged as special counsel to the City of Seaside and its Redevelopment Agency in the land use entitlement and the negotiation of a disposition and development agreement for a \$217,000,000 million project which will include a resort hotel, timeshare units, a single family residence development and a golf course. We also served as special counsel to the Pasadena Development Commission in negotiations for the redevelopment of Paseo Colorado, a \$140,000,000 million mixed-use retail and residential project in the heart of Pasadena.

As the Commission embarks on the El Centro de Huntington Park Regional Shopping Center Redevelopment Project, we believe that the above demonstrates the firm has the expertise (under one organization) to assist the Commission in this complex transaction. For example, in addition to the assistance of Mike Estrada and Roxanne Diaz, this project requires the expertise of eminent domain, land use and environmental counsel. Our attorneys in those practice groups will be consulted as appropriate. Currently, we are working with staff to assess the El Centro project in order to finalize the El Centro disposition and development agreement as well as assisting staff, as requested, with the various other projects undertaken by the Commission.

The firm provides day-to-day advice and counsel to members of the governing board and staff of our many redevelopment agency clients. From time to time, we are also called upon to review their state mandated reports for legal compliance. In our roles

Gregory Korduner

August 8, 2005

Page 3

as City Attorney, Agency Counsel and Special Counsel to numerous cities and redevelopment agencies, we work on redevelopment implementation activities of varying sizes (from rehabilitation loans for affordable housing to complex real estate transactions involving hotels and regional shopping malls) on a daily basis. We provide advice regularly on the adoption, amendment and implementation of redevelopment plans.

Our firm has drafted the necessary notices, resolutions and ordinances and supervised the proceedings, step-by-step as taken, for the adoption of redevelopment plans and significant amendments to redevelopment plans (such as adding territory, merging project areas or increasing plan limits) for numerous redevelopment agencies.

Our involvement has included all aspects of the plan adoption and amendment proceedings, including participating in consultations with taxing agencies, project area committee elections and meetings, reviewing the text of the redevelopment plan or amendment, reports to city councils, feasibility reports and environmental documents, drafting or reviewing all required resolutions, notices and documents, such as EIRs, implementation plans and methods of relocation, drafting written responses to written objections, drafting adopting ordinances, and attending city council, Commission\Agency and planning commission meetings and community workshops. The firm maintains a library of documents in connection with these and other municipal topics to minimize redundant research and provide services cost effectively.

Our practice is to monitor and oversee all required steps to ensure the timely and defensible adoption of plans and amendments. It is imperative that plans and amendments are adopted in compliance with the applicable legal procedures and that substantial evidence exists to support the findings required to be contained in the adopting ordinance, including findings regarding the presence of blight and urbanization. To help ensure the validity of plans and amendments, we customarily are involved in the proceedings from the very beginning, including participating in scoping meetings, helping Commission\Agency staff to develop a legal strategy and a time line, and reviewing any feasibility studies, CEQA initial studies, and the status of the city's General Plan. Throughout the process, we work closely with staff and any outside consultants. In addition, on an ongoing basis, we would advise

Gregory Korduner

August 8, 2005

Page 4

the Commission regarding related issues, such as conflicts of interest and required disclosures of economic interests of Commission board members. Because we routinely deal with these issues at the advisory level and in litigation, we have developed a level of shared knowledge and experience that is beneficial to our clients.

We regularly advise clients on general issues related to redevelopment, including statutory pass-through payments to affected taxing agencies, agency administrative and reporting requirements, such as the annual budget and annual report, the five-year implementation plan, affordable housing replacement and production requirements, and relocation. In addition to our role as Commission\Agency legal counsel and as bond counsel, the firm has been involved in a wide variety of financings of many different redevelopment projects.

We have extensive experience in all aspects of property acquisition and disposition, including acquiring property by eminent domain and have been involved in negotiations, and drafting required documents, including summary reports and resolutions making the required findings.

Our attorneys have broad expertise in litigation, environmental site assessment and remediation, administrative proceedings and regulatory compliance matters. The firm regularly advises public entity and private sector clients on the impact of environmental laws on the acquisition, sale, financing and leasing of property. We have also represented public agencies, property owners and tenants in negotiations for the remediation of properties, and have assisted in the oversight of numerous environmental remediation projects. Among these projects have been the environmental aspects of the property acquisition and construction for the Los Angeles to Pasadena Metro Blue Line Construction Authority, oversight of the remediation of a public park which had been contaminated through its prior use as a military facility, and oversight on behalf of a city of the remediation of a former tank farm for commercial/residential development.

Affordable Housing

We regularly advise redevelopment agency clients on affordable housing matters including relocation, land use, entitlements and other specialized low and moderate

Gregory Korduner

August 8, 2005

Page 5

income housing matters. We also have enforced regulatory agreements relating to owner and tenant occupancy restrictions on rental and ownership programs.

We have experience preparing and reviewing all types of transactions involving affordable housing, including loan documents for financing low and moderate income housing including acquisition, redevelopment, construction and permanent loans, assumption and subordination agreements, security instruments and other necessary documentation. We have negotiated these transactions, prepared intercreditor agreements between various joint construction lenders regarding disbursements, inspections and other related issues and providing advice and document drafting with respect to funding restrictions on the Low and Moderate Income Housing Fund, HOME Investment Partnerships Program (HOME), Community Development Block Grant (CDBG), Urban Development Action Grant (UDAG), Brownfields (Superfund Amendment and Reauthorization Act of 1986), Polanco Act and Economic Development Administration (EDA), grants, tax credits, economic development projects, government loan and grant programs with nonprofit and other entities as may be necessary in the acquisition, construction, or rehabilitation of affordable housing.

Eminent Domain

We represent our clients in the pre-acquisition and acquisition phases of eminent domain proceedings as well as in court, prosecuting these actions. We are well-versed in the complex law regulating pre-acquisition procedures, including relocation, property negotiations, and CEQA compliance. It has been our experience that many issues raised during eminent domain court proceedings are directly related to problems that were not fully addressed during the pre-acquisition phase of the process. We have thus developed a team approach to the pre-acquisition phase of eminent domain proceedings, working closely with staff to address everything from relocation problems to staff reports for hearings on resolutions of necessity. Attached as Exhibit D to this proposal is a list of some eminent domain matters the firm has handled over the past ten years.

In connection with the Commission's current activities, Regina Danner has been working with Commission staff. For example, we have provided "form" letters related to pre-acquisition procedures to be used by Staff. Once such forms are in

Gregory Korduner
August 8, 2005
Page 6

place, our review of these items is drastically reduced and assists the Commission in keeping attorney costs at a minimum.

Requested Information

- 1. Please provide an employment history (past ten years) for the individual to be designated CDC Attorney as well as for any individual who may provide attorney services. Include:**
 - a. Name of individual.**
 - b. Name of firm/city/agency.**
 - c. Length of employment.**
 - d. Specialization.**

- 2. Please describe the qualifications for the individual to be designated CDC Attorney as well as the backup individual providing CDC legal services. This should include:**
 - a. Legal training and years of practice (including date of admittance to California Bar).**
 - b. Years of redevelopment or other local public sector law practice as a full-time local government attorney and/or private law office specialization in local government.**
 - c. Knowledge of and experience with California Municipal Law.**
 - d. Knowledge of, and experience with, Community Redevelopment Law of the State of California.**
 - e. Years and statement of other types of clientele represented.**
 - f. Litigation/condemnation experience (types of cases).**
 - g. Intended office location and accessibility to the CDC.**
 - h. List five professional and five personal references.**
 - i. Scholastic honors and professional affiliation.**
 - j. Knowledge of redevelopment plan adoption process.**
 - k. Knowledge of agency annual report requirements.**
 - l. Knowledge of real estate law, escrow procedures, and escrow documents.**
 - m. Knowledge of property acquisition and tenant relocation law.**

Gregory Korduner

August 8, 2005

Page 7

- n. **Knowledge of eminent domain and its process.**
- o. **Knowledge of property disposition.**
- p. **Knowledge of land sale proceeds and lease revenues.**
- q. **Knowledge of Low and Moderate Income Housing requirements.**
- r. **Knowledge of public financing, including tax increment bonds, certificates of participation, community facilities districts.**
- s. **Knowledge of Community Development Block Grant requirements established by the Federal Housing and Urban Development Department.**
- t. **Knowledge of sales and use tax financing.**
- u. **Knowledge of CDC indebtedness.**
- v. **Knowledge of Polanco Act and Brownfields redevelopment.**
- w. **Knowledge of Brown Act.**
- x. **Knowledge of Conflict of Interest laws.**
- y. **Knowledge of CEQA and environmental issues as it relates to redevelopment projects and programs.**

Attorneys Proposed

At present, Roxanne Diaz is serving as the Interim Commission Counsel and is being primarily assisted by Michael Estrada. Staff has been working with both Roxanne and Michael on a regular basis during the interim period. We propose that Roxanne and Michael continue in those roles. The other members of the Huntington Park team are as follows: Regina Danner as eminent domain counsel, and John Harris as environmental counsel. Regina is a shareholder in the firm's eminent domain practice group and has been called upon during this interim period to provide staff with advice on pre-acquisition and acquisition matters for the El Centro project and other matters. John Harris is a shareholder in the firm's environmental department. In addition, although we have not listed their names on this proposal, all of the attorneys at the firm, including municipal attorneys, finance attorneys, environmental attorneys and litigators, will be available to offer assistance to the Commission as required. This is especially important as the Commission has several large projects in the pipeline (El Centro and Alameda Corridor of Cars). For example, the El Centro project has a variety of issues (Polanco Act, relocation, property acquisition, CEQA, land use) and we anticipate calling upon the expertise of the firm's lawyers in those fields. We believe it is a benefit to the Commission

Gregory Korduner

August 8, 2005

Page 8

that the firm can provide this level of expertise under one organization. This reduces the expenses by reducing "start-up" time and increasing coordination among counsel on various projects.

Roxanne M. Diaz:

Roxanne obtained her B.A. from California State University, Fullerton in 1992 and her J.D. from University of California, Hastings College of Law in 1995 and has been practicing law in the firm's Public Law Department for ten years. She was admitted to the California Bar in 1995 and is admitted to practice in the United States District Court, Central District of California.

Roxanne is a shareholder in the Public Law Department and the Assistant Department Chair. In addition to her current role as Interim Commission Counsel, Roxanne is the General Counsel to the HUB Cities Consortium and Chief Assistant City Attorney for the City of Beverly Hills. She is also the Planning Commission attorney for the City of Norwalk. She was formerly the Assistant City Attorney in the Cities of Monrovia and La Puente. She specializes in advising clients on public law matters, including land use, CEQA, the Brown Act, conflict of interest laws and the Public Records Act. She has been a frequent speaker on the issue of community care facilities, housing issues and general public law fundamentals.

Roxanne has also worked on a variety of redevelopment matters over the years. Early in her career, Roxanne was part of the eminent domain team that assembled parcels in the City of Palm Desert for a golf course development. She also assisted the firm's litigation lawyers against a legal challenge to a client's proposed merger of project areas. More recently, Roxanne attends redevelopment agency meetings for a number of the firm's clients, drafts resolutions, drafts agreements, reviews redevelopment plans and associated environmental issues for the adoption of those plans, and provides land use and CEQA assistance to the firm's practice group on various large-scale redevelopment projects.

Roxanne is a member of the Los Angeles County Bar Association, the Mexican-American Bar Association, the Latina Lawyers Association and the Westside Urban Forum. She has been involved with the Southwest Voter Registration Education Project, Habitat for Humanity and serves as a mentor for CATCH (Caring Adults

Gregory Korduner

August 8, 2005

Page 9

Teaching Children How), a Los Angeles Unified School District mentor program in which she tutors a 2nd grade student weekly during the entire school year. She is a past member of the Steering Committee for the Hastings Latino Alumni Association and of Las Madrinas, a non-profit organization to assist an all girls continuation school in East Los Angeles. Roxanne is proficient in Spanish.

References - Roxanne Diaz:

Professional references

Ernie Garcia, City Manager
City of Norwalk
12700 Norwalk Boulevard
Norwalk, California 90650
(562) 929-5700

Jeff Kennelly, Executive Director
Hub Cities Consortium
2677 Zoe Avenue, Second Floor
Huntington Park, California 90255
(323) 586-4700

Cherie Paglia, City Manager
City of Hidden Hills
6165 Spring Valley Road
Hidden Hills, California 91302
(818) 888-9281

Alice Griselle, Director of Community Development
City of Monrovia
415 South Ivy Avenue
Monrovia, California 91016
(626) 932-5550

Gregory Korduner
August 8, 2005
Page 10

Anton Dalherbruch, Deputy City Manager
City of Beverly Hills
455 North Rexford Drive, 2nd Floor
Beverly Hills, California 90210
(310) 285-1055

Personal References

Alice McTighe
Senior Counsel, Legal Affairs
Disney ABC Cable Networks Group
3800 W. Alameda Avenue
Burbank, California 91505
(818) 569-7851

Robert Vinson
McKeel/Vinson Development
8762 Holloway Drive
Los Angeles, California 90069
(310) 358-0402

Balbir Bhogal
Fragomen, Del Rey, Bernsen & Loewy, LLP
2804 Mission College Blvd., 2nd Floor
Santa Clara, CA 95054
(408) 330-1107

Steven Weiss
Weiss Engineering
4058 Stansbury Avenue
Sherman Oaks, California
(818) 789-0001

Gregory Korduner
August 8, 2005
Page 11

Jonise Sullivan, Associate Director
Production Accounting
Fox Television Studios
2121 Ave of the Stars, Suite 460, Room 463
Los Angeles, CA 90067
(310) 369-1383

Michael Estrada:

Michael Estrada obtained his B.A. in Urban and Rural Studies from the University of California San Diego in 1979, his M.A. in Urban Planning from the University of California Los Angeles in 1981 and his J.D. from the University of California Berkeley in 1986 and has been practicing law in the firm's Public Law Department for fifteen years. He was admitted to the California Bar in 1987 and is admitted to practice in the United States District Court, Central District of California. Mike's primary area of expertise is redevelopment; he serves as special counsel to numerous redevelopment agencies.

Mike is City Attorney/Agency Counsel for the City of San Fernando and its Redevelopment Agency, and Special Counsel to the Pasadena Community Development Commission and the West Hollywood Community Development Commission for redevelopment and real estate matters. Mike also serves as General Counsel to the Los Angeles to Pasadena Metro Blue Line Construction Authority.

Mike has negotiated and drafted redevelopment transactions for a variety of commercial and residential projects. Recent transactions of note include:

On behalf of the Pasadena Community Development Commission, Mike led a team of RWG lawyers in negotiations for the redevelopment of Paseo Colorado, a \$140 million mixed-use retail and residential project in the heart of Pasadena. Roxanne Diaz assisted Mike with CEQA issues related to the project. This was an extremely complex transaction, and involved a \$26 million bond issue. The project opened in 2002 and has been a great success, including winning the 2003 Award of Excellence from the California Redevelopment Association.

Gregory Korduner

August 8, 2005

Page 12

On behalf of the West Hollywood Community Development Commission, Mike had primary responsibility for negotiating and drafting the Disposition and Development Agreement, related agreements and construction issues for the La Brea Gateway Project, a \$81 million retail and office project proposed for the Commission's Eastside Redevelopment Project Area. The project included 252,000 square feet of retail including a Target, Best Buy and other speciality retails and restaurants. La Brea Gateway also required the acquisition of several parcels of property; these parcels were occupied with numerous commercial tenants which made the transaction more complex. Regina Danner and other attorneys in the firm's eminent domain practice group handled the property acquisition and relocation issues. The property was contaminated; John Harris was involved at all stages of the project, providing advice on how best to achieve environmental remediation while limiting the Commission's potential liability. The project opened in 2004, and has been very successful. It is the winner of the 2005 Award of Excellence from the California Redevelopment Association.

As we have been working with staff on the El Centro project, we see many similarities between La Brea Gateway and El Centro—both are large scale commercial projects with complex acquisition and environmental issues and require a high level of sophistication from legal staff. The firm and the proposed team of lawyers can provide the same high level quality legal service to the Commission as we have done for West Hollywood, Pasadena and others who have been successful in their redevelopment efforts.

On behalf of the San Fernando Redevelopment Agency, Mike has drafted Owner Participation Agreements providing financial assistance for the expansion of an automotive dealership, location of new businesses in the downtown area, and development of the City's successful Library Square project. He also negotiated and drafted the Disposition and Development Agreement for a 94 unit scattered site senior citizen housing project currently under construction. The project involved the acquisition of real property from both the developer and third parties (which was handled by Regina Danner), and the ground lease of the site to the developer. The project utilized financing from a number of sources, including low-income housing tax credits.

Gregory Korduner

August 8, 2005

Page 13

Mike regularly represents the Community Development Commissions of Pasadena, and West Hollywood, and the Redevelopment Agencies of Brea, Buena Park, and San Fernando as well as other Redevelopment Agency clients, in negotiating and drafting agreements for affordable housing projects.

The attorneys in our Real Estate Department will also be available as needed.

References - Michael Estrada:

Allyne Winderman, Deputy Executive Director
West Hollywood Community Development Commission
8300 Santa Monica Boulevard
West Hollywood, California 90069-4314
(323) 848-6418

Richard Bruckner, Director of Housing and Development
Pasadena Community Development Commission
175 N. Garfield Avenue
Pasadena, California 91101
(626) 744-4650

Jose Pulido, City Administrator
City of San Fernando
117 MacNeil Street
San Fernando, California 91340
(818) 898-1201

Milton Swimmer, Partner
JH Snyder Company
Museum Square
5757 Wilshire Blvd,
Penthouse 30
Los Angeles, CA 90036
(323) 857-5546 Ext.107

Gregory Korduner

August 8, 2005

Page 14

Paul S. Rutter
Gilchrist & Rutter
1299 Ocean Avenue, Ste. 900
Santa Monica, California 90401
(310) 393-4000

Regina Danner:

Regina Danner brings extensive eminent domain expertise to the team. In her experience as eminent domain counsel, she has represented both public and private sector clients in cases involving eminent domain, inverse condemnation, redevelopment, business and real estate transactions, and commercial litigation. Gina has drafted numerous covenants and agreements, ordinances, resolutions, contracts, purchase and sale documents, and other real estate-related documents. Some of her public sector experience includes the following:

1. Representation of the Metropolitan Water District in condemnation actions to acquire property for its Inland Feeder Pipeline Project.
2. Representation of the Community Redevelopment Commission of the City of Los Angeles in a number of condemnation actions to acquire property for the Staples Center Arena.
3. Representation of the Pasadena Community Development Commission in eminent domain matters for redevelopment purposes.
4. Representation of the Southern California Rapid Transit District in several eminent domain matters.

In the private sector, Gina's experience includes representation of property owners in their defense of eminent domain actions which challenged a public agency's right to take real property, including severance damage claims, claims for loss of business goodwill, and inverse condemnation claims. Gina believes her experience defending private sector clients has enabled her to better see all sides of the issues in her representation of public sector clients.

Gina received her B.A. from Loyola Marymount University in 1982 and her J.D. from Loyola Law School, Los Angeles in 1985.

Gregory Korduner

August 8, 2005

Page 15

The other attorneys in our Eminent Domain Practice Group will be available as needed.

References - Regina N. Danner:

Lauren Brainard
Deputy General Counsel
Metropolitan Water District of Southern California
700 N. Alameda Street
P.O. Box 54153
Los Angeles, California 90054
(213) 217-6312

Joseph Vanderhorst
Assistant Deputy General Counsel
Metropolitan Water District of Southern California
700 N. Alameda Street
P.O. Box 54153
Los Angeles, California 90054
(213) 217-632

Fran Mason, MAI
Mason & Mason
Real Estate Appraisers & Consultants
2609 Honolulu Avenue, Suite 100
Montrose, California 91020-1706
(818) 957-1881

Carol Chiodo
City of San Diego
Deputy Director of Real Estate Assets
1200 3rd Avenue, Suite 1700
San Diego, California 92101
(619) 236-6725

Gregory Korduner

August 8, 2005

Page 16

Faith Mitchell
The Metropolis Group
270 N. Canon Drive, #1422
Beverly Hills, California 90210
(323) 298-5448

John Harris:

John J. Harris would provide advice on environmental issues. John is a shareholder of the firm's Environmental and Energy Department. For the last twenty years, John has advised both private and public sector clients regarding their rights, obligations, liabilities and opportunities under federal, state, and local environmental laws and regulations. His practice has included litigation, environmental site assessment and remediation, administrative proceedings and regulatory compliance matters, as well as reporting environmental problems or liabilities.

John's environmental litigation practice has focused on the representation of individual cities and groups of municipalities in a wide variety of environmental matters, including CERCLA cases, contaminated property clean-up and cost recovery cases, as well as environmental insurance coverage claims. He has represented and is currently representing groups of cities in Superfund cases brought by both the U.S. Environmental Protection Agency, the State of California, as well as private parties.

John regularly advises public entity and private sector clients on the impact of environmental laws on the acquisition, sale, financing and leasing of property. He has extensive experience in the redevelopment of Brownfields sites, and has assisted public agencies in obtaining federal grants for that purpose. He has also represented public agencies, property owners and tenants in negotiations for the remediation of properties, and has assisted in the oversight of numerous environmental remediation projects. For example, he has advised governmental entities on the remediation of properties contaminated through prior uses such as military facilities, tank farms, oil producing facilities and other commercial and industrial uses. John represents cities, individually and in groups, in negotiations with the EPA, the Regional Water

Gregory Korduner

August 8, 2005

Page 17

Quality Control Board, the Department of Toxic Substances Control and environmental groups on issues such as NPDES municipal storm water permits, site remediation and other environmental regulatory matters.

John has assisted clients in dealing with and obtaining permits and approvals from California environmental agencies, such as Regional Water Quality Control Boards and the Department of Toxic Substances, and other state and local agencies. He has negotiated remediation agreements, prospective purchaser agreements and consent decrees with California environmental agencies and the U.S. Environmental Protection Agency.

John is the chief environmental counsel for the Los Angeles to Pasadena Metro Blue Line Construction Authority. His responsibilities include oversight of the environmental aspects of the property acquisition, construction and remediation for the light rail project.

The other attorneys in our Environmental Law Department will also be available as needed.

John Harris - References

Frank Tam, Senior Engineer
Montgomery Watson Harza
260 N. Madison Avenue
Pasadena, California 91101
(626) 568-6339

Allyne Winderman, Deputy Executive Director
West Hollywood Community Development Commission
8300 Santa Monica Boulevard
West Hollywood, California 90069-4314
(323) 848-6418

Gregory Korduner
August 8, 2005
Page 18

Habib Balian, Chief Financial Office
LA-Pasadena Metro Blue Line Construction Authority
625 S. Fair Oaks Avenue, Suite 200
So. Pasadena, California 91030
(626) 403-5504

Sue Georgino, Community Development Director
City of Burbank
354 E. Orange Grove
Burbank, California 91502
(818) 238-5176

Bryan Stirrat
Bryan A. Stirrat & Associates, Inc.
1360 Valley Vista Drive
Diamond Bar, California 91765
(909) 860-7777

* * * *

Office Location and Accessibility

All of the attorneys proposed are located at our downtown Los Angeles Office on Bunker Hill about 15 miles from Huntington Park. See Section 7 of this proposal for a discussion of responsiveness and accessibility.

3. **Please describe how the firm intends to provide the legal services for the CDC, either on a flat-rate monthly retainer (and said amount of retainer) or on a different basis. It is expected that the services provided under a retainer would include:**

Gregory Korduner

August 8, 2005

Page 19

- a. **Routine legal advice, consultation and opinions to the CDC and staff on areas such as land use, CEQA, general redevelopment and real estate law, Brownfield legislation and law, tenant relocation and real property acquisition;**
- b. **Review CDC agendas, staff reports, attend all CDC meetings (regularly held on the first and third Monday of each month), and other meetings as requested;**
- c. **Prepare redevelopment resolutions, ordinances, agreements, leases, disposition and development agreements, contracts and related documents;**
- d. **Research new legislation and provide written summary to CDC as directed by CDC staff;**
- e. **Respond to legal questions on behalf of the CDC;**
- f. **Defend CDC against any claims brought against it;**
- g. **Mileage, reproduction of documents, computer or word processing charges are included as part of the retainer fee.**

See No. 5 below.

- 4. **If hourly rate billing is preferred, please state the hourly rates for the designated CDC Attorney and associates for general work, and for special services, such as litigation, if at a different rate.**

See No. 5 below.

- 5. **Please define what would be considered to be extraordinary service to be provided over and beyond the normal services and the basis for compensation thereof.**

Gregory Korduner

August 8, 2005

Page 20

At this time, it is difficult for us to propose a retainer until we have a clear understanding of the average monthly demand for legal services. The Commission is embarking upon a number of projects that we believe will result in increased staff time and attorney review. The realization of those projects will be a positive change for the community. With that said, we are cognizant of the budgetary constraints placed on public entities and commit to partnering with Commission staff to minimize legal fees when possible. We propose to provide the services of our firm on an hourly rate as follows:

Routine Services: A composite rate of \$200 per hour. We would consider the following to be routine legal services:

- a. Routine legal advice, consultation and opinions to the CDC and staff on areas such as: land use, CEQA, general redevelopment and real estate law, and Brownfields legislation and law;
- b. Review CDC agendas, staff reports, attend all CDC meetings and staff meetings as requested;
- c. Prepare redevelopment resolutions, ordinances, routine consultant agreements, routine redevelopment agreements (e.g., first time home buyer or residential rehabilitation agreements), and related documents;
- d. Research new legislation and provide written summary to CDC as directed by CDC staff;
- e. Respond to legal questions on behalf of the CDC.

Special Services: A composite rate as follows: shareholders at a discounted rate of \$250 per hour; senior attorneys/of counsel at the discounted rate of \$225 per hour; and associates at the discounted rate of \$195 per hour. We would consider the following to be special services:

Gregory Korduner
August 8, 2005
Page 21

- a. Negotiation and drafting of Disposition and Development, Owner Participation, and Affordable Housing Agreements (except as described under paragraph "c" of Routine Services);
- b. Other real estate transactions which, in the determination of the Executive Director of the Commission, involve complexities not present in the routine purchase, sale, or lease of real property;
- c. Environmental and hazardous waste matters;
- d. Property acquisition. This includes legal advice, consultation and opinions, pre-acquisition work, relocation work, relocation appeals to a relocation appeals board if any.

Litigation Services: Standard rates less a 15% discount. Litigation includes eminent domain, in court proceedings and proceedings in non-judicial settings such as administrative adjudications and alternative dispute resolution proceedings.

Bond Counsel. If bond counsel services are needed, we would discuss the appropriate rate for that service with you at that time.

We would receive reimbursement for our out-of-pocket expenses such as cost of duplication (\$.15 per page) and facsimile transmissions (\$1.00 per page). The firm, however, uses state of the art copying machines that allow us to scan documents and email those documents to our clients. Accordingly, we anticipate fax charges to be minimal. Other expenses, such as messenger services, binding of transcripts and travel outside of Southern California, will be billed at cost.

Richards, Watson & Gershon is proud to offer superior legal services at competitive hourly rates. Additionally, we encourage potential clients to look beyond the hourly rates offered by any law firm and to examine the total cost of obtaining legal services. Due to our experience, technology and team work, we are confident that our efficiency enables us to deliver quality service at the lowest possible total cost to our clients. We are open to discussing a retainer arrangement at a future date and we invite and welcome discussion of our rates.

Gregory Korduner

August 8, 2005

Page 22

A chart depicting the firms' current standard rates for the attorneys identified in this proposal is attached hereto as Exhibit E.

6. Please describe how you would structure the working relationship between the CDC Attorney and the CDC Board, City Attorney, Executive Director and other members of staff.

Our role as CDC Attorney is to provide legal advice to the Commission. We believe strongly that the CDC Attorney's office is a part of the entire City governance team, and we provide legal advice as members of that team. It is up to the Commission, Executive Director, and other Commission staff members to make policy decisions based on this advice. Although we will be directly accountable to the Commission and will likely interact most often with the Executive Director and Director of Community Development, we believe our responsibility to Commission staff is equally important. We will also work cooperatively with your City Attorney. As our proposal demonstrates, some of the larger development projects where we have been lead counsel have been in cities where we do not serve as City Attorney.

Our years of experience working with cities have taught us to recognize the important role that all staff members play in accomplishing the Commission's goals and our tasks as CDC Attorney. As discussed below, the firm's attorneys will make themselves available at all times (on-site, telephonically and electronically) to answer questions posed by members of the Commission and Commission staff. As has been the case since our appointment as interim Commission Counsel, Roxanne Diaz will be the primary contact between the Commission, its staff and elected officials, and the firm, with Michael Estrada as her primary backup. As working relationships are established, our usual practice is to encourage direct communication between staff and the particular attorney functioning on any given matter. This approach provides economy and better communication for the Commission.

Gregory Korduner

August 8, 2005

Page 23

- 7. Please define the standard time frames for responses by the CDC Attorney to direction and/or inquiry from the CDC Board, Executive Director and other members of staff.**

The firm regards accessibility and responsiveness as two of the most critical factors in the provision of legal services. A call from a Commission member or from the Executive Director or other staff personnel is always responded to promptly by the CDC Attorney. If an attorney in our firm is unable to take a call because he or she is on the telephone or away from the office, that call will be returned as soon as feasible. Our attorneys are reachable by telephone, cellular phone and e-mail. Furthermore, we take pride in our ability to provide a complete and accurate response to assignments and inquiries within whatever time constraints are imposed, and to manage our cases with extensive client communication and input. Specific response times vary with the nature of each assignment.

- 8. Discuss firm's bilingual capabilities.**

Roxanne Diaz is proficient in Spanish. Michael Estrada and Regina Danner are fluent in Spanish, as are many other of the firm's attorneys and support staff.

- 9. Please describe your procedure for billing of extra hours and expenses and any other accounting requirements.**

The firm provides detailed billings on a monthly basis that show work performed in 1/10th hour increments. These billings are adequately detailed for an audit.

- 10. Please indicate how you would provide for professional liability insurance, indemnity, renewal, amendment, extension and/or termination of contract.**

The firm maintains professional liability insurance in a substantial amount that would protect against damages or losses incurred as a result of any error or omission or neglect by the firm, or any of its attorneys, in providing professional services to the Commission. A certificate of insurance evidencing this coverage will be provided to the Commission prior to the effective date of any agreement for legal services. The firm maintains workers' compensation insurance as required by

Gregory Korduner
August 8, 2005
Page 24

California law. This insurance will be maintained by the firm for the duration of any agreement for legal services entered into with the Commission.

11. List all public clients for which the firm currently provides services, or who are under a retainer.

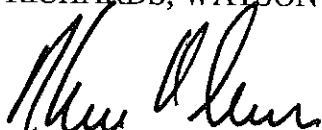
Attached as Exhibit B to this proposal is a list of our Public Law Clients.

* * * *

We have appreciated the opportunity to serve as the Commission's Interim Counsel while it engages in the Request for Proposal process. We hope to make this arrangement permanent and look forward to the opportunity to serve as Counsel to the Community Development Commission of the City of Huntington Park. We are happy to discuss this proposal with you and your staff. Please feel free to give Roxanne Diaz or Michael Estrada a call if you have any questions.

Very truly yours,

RICHARDS, WATSON & GERSHON



Kayser O. Sume
Chairman of the Board

99904\0145\832731.3

RICHARDS | WATSON | GERSHON
ATTORNEYS AT LAW - A PROFESSIONAL CORPORATION

355 South Grand Avenue, 40th Floor, Los Angeles, California 90071-3101
Telephone 213.626.8484 Facsimile 213.626.0078

RICHARD RICHARDS
(1916-1988)

GLENN R. WATSON
(1917-2010)

HARRY L. GERSHON
(1922-2007)

March 13, 2012

STEVEN L. DORSEY
WILLIAM L. STRAUSS
MITCHELL E. ABBOTT
GREGORY W. STEPANICHICH
KOCHELLE BROWNE
QUINN M. BARROW
CAROL W. LYNCH
GREGORY M. KUNERT
THOMAS M. JIMBO
ROBERT C. CECCHON
STEVEN H. KAUFMANN
KEVIN G. ENNIS
ROBIN D. HARRIS
MICHAEL ESTRADA
LAURENCE S. WIENER
STEVEN R. ORR
B. TILDEN KIM
SASKIA T. ASAMURA
KAYSER O. SUME
PETER M. THORSON
JAMES L. MARKMAN
CRAIG A. STEELE
T. PETER PIERCE
TERENCE R. BOGA
LISA BOND
JANET E. COLESON
ROMANNE M. DIAZ
JIM O. GRAYSON
ROY A. CLARKE
WILLIAM P. CURLEY III
MICHAEL F. YOSHIDA
REGINA H. DANNER
PAULA GUTIERREZ BAEZA
BRUCE W. GALLOWAY
DIANA K. CHUANG
PATRICK K. BOSKO
NORMAN A. DUPONT
DAVID M. SHOW
LOLLY A. ENRIQUEZ
KIRSTEN R. BOWMAN
GINETTA L. GIOVINCO
TRISHA ORTIZ
CANDICE K. LEE
BILLY D. DUNSMORE
AMY GREYSON
DEBORAH R. HAKMAN
D. CRAIG FOX
G. INDER KHALSA
MARICELA E. MARROQUIN
GENA M. STINNETT
JENNIFER PETRUSIS
STEVEN L. FLOWER
CHRISTOPHER J. DIAZ
ERIN L. POWERS
TOUSSAINT S. BAILEY
SERITA R. YOUNG
SHIRI KLIMA
DIANA H. VARAT
JULIE A. HAMILL
ANDREW J. BRADY
MOLLY R. MCLUCAS
AARON C. O'DELL
BYRON MILLER

Raul Romero
Acting City Manager
City of Huntington Park
6550 Miles Avenue
Huntington Park, California 90255

SUMMARY OF YOUR ACCOUNT	FEES	DISBURSEMENTS
General services performed during January, 2012	\$ 4,547.00	\$ 12.57
Adv. Plycraft Industries	\$ 33.58	\$ 21.00
LAUSD v. The County of Los Angeles	\$ 2,132.50	\$.00
Total:	\$ 6,713.08	\$ 33.57
Total Due Fees & Disbursements:	\$ 6,746.65	

12548-0001/1292127.1

SAN FRANCISCO OFFICE
TELEPHONE 415.421.8484

ORANGE COUNTY OFFICE
TELEPHONE 714.990.0901



RICHARDS | WATSON | GERSHON

ATTORNEYS AT LAW - A PROFESSIONAL CORPORATION

355 South Grand Avenue, 40th Floor, Los Angeles, California 90071-3101
Telephone 213.626.8484 Facsimile 213.626.0078

RICHARD RICHARDS
(1916-1988)

GLENN R. WATSON
(1917-2010)

HARRY L. GERSHON
(1922-2007)

STEVEN L. DORSEY
WILLIAM L. STRAUSS
MITCHELL E. ABBOTT
GREGORY W. STEPANICH
ROCHELLE BROWNE
QUINN M. BARROW
CAROL W. LYNCH
GREGORY M. KUNERT
THOMAS M. JIMBO
ROBERT C. CECCON
STEVEN H. KAUFMANN
KEVIN G. ENNIS
ROBIN D. HARRIS
MICHAEL ESTRADA
LAURENCE S. WIENER
STEVEN R. ORR
B. TILDEN KIM
SASKIA T. ASAMURA
KAYSER O. SUME
PETER M. THORSON
JAMES L. MARKMAN
CRAIG A. STEELE
T. PETER PIERCE
TERENCE R. SOGA
LISA BOND
JANET E. COLESON
ROXANNE M. DIAZ
JIM G. GRAYSON
ROY A. CLARKE
WILLIAM P. CURLEY III
MICHAEL F. YOSHIDA
REGINA N. OANNER
PAULA GUTIERREZ BAEZA
BRUCE W. GALLOWAY
DIANA K. CHUANG
PATRICK K. BOBKO
NORMAN A. DUPONT
DAVID M. SNOW
LOLLY A. ENRIQUEZ
KIRSTEN R. BOWMAN
GINETTA L. GIOVINCO
TRISHA ORTIZ
CANDICE K. LEE
BILLY D. DUNSMORE
AMY GREYSON
DEBORAH R. HARMAN
O. CRAIG FOX
G. INDER KHALSA
MARICELA E. MARROQUIN
GENA M. STINNETT
JENNIFER PETRUSIS
STEVEN L. FLOWER
CHRISTOPHER J. DIAZ
ERIN L. POWERS
TOUSSAINT S. BAILEY
SERITA R. YOUNG
SHIRI KLIMA
DIANA H. VARAT
JULIE A. HAMILL
ANDREW J. BRADY
MOLLY R. MCILUCAS
AARON C. O'DELL
BYRON MILLER

OF COUNSEL
MARK L. LAMKEH
SAYRE WEAVER
JIM R. KARPIAK
TERESA HO-URANO

SAN FRANCISCO OFFICE
TELEPHONE 415.421.8484

ORANGE COUNTY OFFICE
TELEPHONE 714.990.0901

April 10, 2012

Raul Romero
Acting City Manager
City of Huntington Park
6550 Miles Avenue
Huntington Park, California 90255

SUMMARY OF YOUR ACCOUNT	FEES	DISBURSEMENTS
Successor Agency General services performed during February, 2012	\$ 2,802.00	\$ 15.43
LAUSD v. The County of Los Angeles	\$ 7,892.50	\$ 13.72
Total:	\$ 10,694.50	\$ 29.15
Total Due Fees & Disbursements:	\$ 10,723.65	

12548-0001/1292127.1



RICHARDS | WATSON | GERSHON

ATTORNEYS AT LAW – A PROFESSIONAL CORPORATION

355 South Grand Avenue, 40th Floor, Los Angeles, California 90071-3101
Telephone 213.626.8484 Facsimile 213.626.0078

RICHARD RICHARDS
(1916-1988)

GLENN R. WATSON
(1917-2010)

HARRY L. GERSHON
(1922-2007)

STEVEN L. DORSEY
WILLIAM L. STRAUSS
MITCHELL E. ABBOTT
GREGORY W. STEPANICH
ROCHELLE BROWNE
QUINN M. BARROW
CAROL W. LYNCH
GREGORY M. KUNERT
THOMAS M. JIMBO
ROBERT C. CECCHON
STEVEN H. KAUFMANN
KEVIN G. ENNIS
ROBIN D. HARRIS
MICHAEL ESTRADA
LAURENCE S. WIENER
STEVEN R. ORR
B. TILDEH KIM
SASKIA T. ASAMURA
KAYSER O. SUME
PETER M. THORSON
JAMES L. MARKMAN
CRAIG A. STEELE
T. PETER PIERCE
TERENCE R. BOGA
LISA BOHD
JANET E. COLESON
ROXANNE M. DIAZ
JIM G. GRAYSON
ROY A. CLARKE
WILLIAM P. CURLEY III
MICHAEL F. YOSHIBA
REGINA N. DANNER
PAULA GUTIERREZ BAEZA
BRUCE W. GALLOWAY
DIANA K. CHUANG
PATRICK K. BOBKO
NORMAN A. DUFONT
DAYO M. SNOW
LOLLY A. ENRIQUEZ
KIRSTEN R. BOWMAN
GINETTA L. GIOVINCO
TRISHA ORTIZ
CANDICE K. LEE
BILLY D. DUNSMORE
AMY GREYSON
DEBORAH R. HAKMAN
D. CRAIG FOX
G. INDER KHALSA
MARICELA E. MARROQUIN
GENA M. STINNETT
JENNIFER PETRUSIS
STEVEN L. FLOWER
CHRISTOPHER J. DIAZ
ERIN L. POWERS
TOUSSAINT S. BAILEY
SERITA R. YOUNG
SHIRI KLIMA
DIANA H. VARAT
JULIE A. HAMILL
ANDREW J. BRADY
MOLLY R. MCLUCAS
AARON C. O'DELL
BYRON MILLER

May 11, 2012

Mary Strenn
Interim City Manager
City of Huntington Park
6550 Miles Avenue
Huntington Park, California 90255

SUMMARY OF YOUR ACCOUNT	FEES	DISBURSEMENTS
Successor Agency General services performed during March, 2012	\$ 1,172.00	\$.00
LAUSD v. The County of Los Angeles	\$ 4,135.00	\$ 93.57
Total:	\$ 5,307.00	\$ 93.57
Total Due Fees & Disbursements:	\$ 5,400.57	

12548-0001/1292127.1

OF COUNSEL
MARK L. LAMKEH
SAYRE WEAVER
JIM R. KARPIAK
TERESA HO-URANO

SAN FRANCISCO OFFICE
TELEPHONE 415.421.8484

ORANGE COUNTY OFFICE
TELEPHONE 714.990.0901



RICHARDS | WATSON | GERSHON

ATTORNEYS AT LAW - A PROFESSIONAL CORPORATION

355 South Grand Avenue, 40th Floor, Los Angeles, California 90071-3101
Telephone 213.626.8484 Facsimile 213.626.0078

RICHARD RICHARDS
(1916-1988)

GLENH R. WATSON
(1917-2010)

HARRY L. GERSHON
(1922-2007)

STEVEN L. DORSEY
WILLIAM L. STRAUSS
MITCHELL E. ABBOTT
GREGORY W. STEPANICHICH
ROCHELLE BROWNE
QUINN M. BARROW
CAROL W. LYNCH
GREGORY M. KUHRT
THOMAS M. JIMBO
ROBERT C. CECCON
STEVEN H. KAUFMANN
KEVIN G. HARRIS
ROBIN D. HARRIS
MICHAEL ESTRADA
LAURENCE S. WIENER
STEVEN R. ORR
B. TILDEN KIM
SASKIA T. ASANUMA
KAYSER O. SUME
PETER M. THORSON
JAMES L. MARKMAN
CRAIG A. STEELE
T. PETER PIERCE
TERENCE R. SOGA
LISA BOND
JANET E. COLESON
ROXANNE M. DIAZ
JIM G. GRAYSON
ROY A. CLARKE
WILLIAM P. CURLEY III
MICHAEL F. YOSHIBA
REGINA N. DAHNER
PAULA GUTIERREZ BAEZA
BRUCE W. GALLOWAY
DIANA K. CHUANG
PATRICK K. BOBKO
NORMAN A. DUPONT
DAVID M. SNOW
LOLLY A. ENRIQUEZ
KIRSTEN R. BOWMAN
GINETTA L. GIOVINCO
TRISHA ORTIZ
CANDICE K. LEE
BILLY D. DUNSMORE
AMY GREYSON
DEBORAH R. HAKMAN
D. CRAIG FOX
G. INDER KHALSA
MARICELA E. MARROQUIN
GENA M. STINNETT
JENNIFER PETRUSIS
STEVEN L. FLOWER
CHRISTOPHER J. DIAZ
ERIN L. POWERS
TOUSSAINT S. BAILEY
SERITA R. YOUNG
SHIRI KUMA
DIANA H. VARAT
JULIE A. HAMILL
ANDREW J. BRADY
MOLLY R. MCLUCAS
AARON C. O'DELL
BYRON MILLER

OF COUNSEL
MARK L. LANKEH
SAYRE WEAVER
JIM R. KAPPAK
TERESA HO-URANO

SAN FRANCISCO OFFICE
TELEPHONE 415.421.8484

ORANGE COUNTY OFFICE
TELEPHONE 714.990.0901

June 14, 2012

Mary Strenn
Interim City Manager
City of Huntington Park
6550 Miles Avenue
Huntington Park, California 90255

SUMMARY OF YOUR ACCOUNT	FEES	DISBURSEMENTS
Successor Agency General services performed during April, 2012	\$ 3,500.00	\$.00
LAUSD v. The County of Los Angeles	\$ 5,275.00	\$ 11.88
Total:	\$ 8,775.00	\$ 11.88
Total Due Fees & Disbursements:	\$ 8,786.88	

12548-0001/1292127.1